LOUISIANA BOARD OF ETHICS

DATE:

April 29, 2009

RE:

In the matter of Myron Lawson

The Board of Ethics (the "Board") pursuant to the authority contained in LSA-R.S. 42:1141, conducted a confidential investigation concerning information that Myron Lawson, an Alexandria City Councilman, may have violated Sections 1111C(2)(d) and 1112B(5) of the Code of Governmental Ethics by virtue of Mr. Lawson leasing office space to Ms. Bridgett Brown, and receiving payments of rent from Ms. Brown in connection with the lease, at a time Ms. Brown had a contractual relationship with Mr. Lawson's Agency, the Alexandria City Council, and by voting as a member of the Alexandria City Council in favor of Resolution 7507-2004, to retain Ms. Brown to perform legal services for the City of Alexandria, at a time when Mr. Lawson served the City of Alexandria as a councilman.

On the basis of information obtained during the investigation, and with the concurrence of Myron Lawson, the Board now makes the following essential:

I.

## FINDINGS OF FACT

1.

Myron Lawson was elected to the City Council of Alexandria in December of 2002. Mr. Lawson continues to serve on the City Council of Alexandria.

2.

Mr. Lawson owns the property located at 3504 Masonic Drive, Alexandria, Louisiana.

Approved:

3.

Since 1995, Mr. Lawson has leased the office space at 3504 Masonic Drive, Alexandria, Louisiana to Ms. Bridget Brown. Ms. Brown is no longer a lessee of this building.

4.

Ms. Brown leased an area in 3504 Masonic Drive, Alexandria, Louisiana, known as Office "A", approximately 900 square feet and comprising 25% of the building. The office includes a conference room, bathroom, kitchenette, receptionist/waiting area, secretarial space and one office. Occupancy include parking and signage space.

5.

Mr. Lawson charged Ms. Brown \$600 per month in rent for the lease of Office "A", located at 3504 Masonic Drive, Alexandria, Louisiana.

6.

If called to testify, Mr. Lawson would state the Office "A" incurs building-utilities and maintenance expenses, including janitorial, utilities and ordinary maintenance. Mr. Lawson would also state that there is no or little profit from his lease of Office "A" to Ms. Brown.

7.

On March 2, 2004, by virtue of the unanimous passage of Alexandria City Council Resolution 7507-2004, Ms. Brown was retained as co-bond counsel for the City Council of Alexandria.

Approved:

Prior to the vote on Alexandria City Council Resolution 7507-2004, Mr. Lawson sought the advice of the Alexandria City Attorney and the Assistant City Attorney regarding whether his vote on Alexandria City Council Resolution 7507-2004 created a conflict of interest due to the contractual relationship existing between Mr. Lawson and Ms. Brown, and whether he should recuse himself from the vote. Counsel indicated to Mr. Lawson that his vote on Alexandria City Council Resolution 7507-2004 would not present a conflict of interest.

9.

Mr. Lawson did not present Alexandria City Council Resolution 7507-2004 to the City Council. Mr. Lawson did not make motion to approve or second such motion to approve Alexandria City Council Resolution 7507-2004.

10.

Mr. Lawson voted in favor of Alexandria City Council Resolution 7507-2004 retaining Ms.

Brown as co-bond counsel for the City of Alexandria at the March 2, 2004 meeting of the Alexandria City Council.

11.

The bond issue, and the legal work in connection with Alexandria City Council Resolution 7507-2004 was complete on April 18, 2004 (a two month period thereafter); as such, Ms. Brown's contract status with the City of Alexandria was thereby terminated by completion of the bond issue.

Approved:

Ms. Brown entered into a "Contract for Legal Services and Contingency Fee Agreement" with the City of Alexandria to represent the City in all claims related to any and all transactions and/or any and all other relationships that the City has or had with CLECO. Said contract was signed in June of 2005. This contract was entered into without vote of the Alexandria City Council. Accordingly, Mr. Lawson did not vote on this contract.

13.

Ms. Brown appeared as co-counsel on a lawsuit filed by the City of Alexandria against CLECO on June 31, 2005 by the Alexandria City Attorney.

14.

On July 19, 2005, Alexandria City Council Resolution 214-2005 was passed by the Alexandria City Council, said resolution gave the Mayor authority to retain Ms. Brown for the provision of legal services to the City.

15.

Mr. Lawson recused himself from voting on Alexandria City Council Resolution 214-2005.

16.

Ms. Brown ceased as counsel of record regarding the City of Alexandria's litigation against CLECO on February 28, 2007.

II.

## APPLICABLE LAW

At issue in this case are Sections 1111C(2)(d) and 1112B(5) of the Code of Governmental

Approved

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Ethics. Section 1111C(2)(d) of the Code prohibits a public servant from receiving compensation for services rendered to certain prohibited sources contained in Section 1115 of the Code. Section 1112B(5) of the Code prohibits public servants from participating in a transaction under the supervision or jurisdiction of the public servant's agency and in which a person of which they are a party to a contract with has a substantial economic interest. Section 1111C(2)(d) and Section 1112B(5) provide, respectively, in pertinent part:

# § 1111. Payment from nonpublic sources

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- C. Payments for nonpublic service.
  - (2) No public servant and no legal entity in which the public servant exercises control or owns an interest in excess of twenty-five percent, shall receive any thing of economic value for or in consideration of services rendered, or to be rendered, to or for any person during his public service unless such services are:

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(d) neither performed for nor compensated by any person from whom such public servant would be prohibited by R.S. 42:1115A(1) or (B) from receiving a gift.

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Section 1115 of the Code is reference in Section 1111C(2)(d) of the Code and is relevant when analyzing the Section 1111C(2)(d). Section 1115 provides in pertinent part:

#### § 1115. Gifts

A. No public servant shall solicit or accept, directly or indirectly, any thing of economic value as a gift or gratuity from any person or from any officer, director, agent, or employee of such person, if such public servant knows or reasonably should know that such person:

Approved:

(1) Has or is seeking to obtain contractual or other business or financial relationships with the public servant's agency, or

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## §1112. Participation in certain transactions involving the governmental entity

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B. No public servant, except as provided in R.S. 42:1120, shall participate in a transaction involving the governmental entity in which, to his actual knowledge, any of the following persons has a substantial economic interest:

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(5) Any person who is a party to an existing contract with such public servant, or with any legal entity in which the public servant exercises control or owns an interest in excess of twenty-five percent, or who owes any thing of economic value to such public servant, or to any legal entity in which the public servant exercises control or owns an interest in excess of twenty-five percent, and who by reason thereof is in a position to affect directly the economic interests of such public servant.

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The following term is defined in Section 1102 of the Code and is relevant when analyzing the above sections:

(15) "Participate" means to take part in or to have or share responsibility for action of a governmental entity or a proceeding, personally, as a public servant of the governmental entity, through approval, disapproval, decision, recommendation, the rendering of advice, investigation, or the failure to act or perform a duty.

Approved:
John W. Scott, Counsel for Myron Lawson

### III.

## **OPINION**

Section 1111C(2)(d) prohibits a public servant from performing compensated services for a person who *has, or is seeking,* a business, financial or contractual relationship with his agency.

Resolution 7507-2004 was an approval of a bond issue, that also provided that Mr. Lawson's lessee, Ms. Brown would be authorized by Alexandria City Council to serve as co-bond counsel on the city bond issue. As such, the passage of Alexandria City Council Resolution 7507-2004, prohibited Mr. Lawson from leasing office space to Ms. Bridgett Brown for the consideration of lease payments while he was a member of the Alexandria City Council, from on March 2, 2004 though April 24, 2004, the date in which the contractual relationship between Ms. Brown and the City of Alexandria was terminated.

In addition, because Ms. Brown sought a contractual relationship with the City of Alexandria in June of 2005, Mr. Lawson was prohibited from leasing office space to Ms. Brown for the consideration of lease payments while he was a member of the Alexandria City Council, from June of 2005 through February 28, 2007, the date in which Ms. Brown ceased to have or seek a contractual relationship with the City of Alexandria.

It is recognized, as has been confirmed by the assistant city attorney, that Mr. Lawson (as set forth as factual finding in paragraph 8 hereinabove) that Mr. Lawson made full disclosure and sought in advance advice regarding whether his vote on Resolution 7507-2004 would create a conflict and whether he should recuse himself. Counsel advised Mr. Lawson that his vote on Alexandria City

Approved:

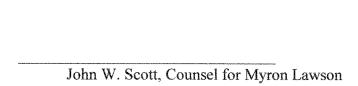
Council Resolution 7507-2004 would not present a conflict of interest. Mr. Lawson acted in accord with this legal advice. This is a mitigating factor.

It is the opinion and conclusion of the Board that Mr. Myron Lawson, violated Section 1111C(2)(d) of the Code of Governmental Ethics by virtue of his continuance of a pre-existing lease agreement in which he leased office space at 3504 Masonic Drive, Alexandria, Louisiana, to Ms. Bridgett Brown in exchange for a \$600 per month rental payment, while Ms. Brown maintained a contractual relationship and sought a contractual relationship with the City of Alexandria.

Section 1112B(5) prohibits a public servant from participating in a transaction, under the supervision or jurisdiction of the public servant's agency, in which a person of which the public servant is party to a contract, has a substantial economic interest. Because Ms. Brown had a substantial economic interest in engaging in a contractual relationship with the Alexandria City Counsel as co-bond counsel at the same time she was party to an existing contract to lease office space from Mr. Lawson, Mr. Lawson was prohibited from participating in Alexandria City Council Resolution 7507-2004.

It is the opinion and conclusion of the Board that Mr. Myron Lawson, violated Section 1112B(5) of the Code of Governmental Ethics by virtue of his participating in the vote on Alexandria City Council Resolution 7507-2004, said resolution engaging the services of Ms. Bridgett Brown as Alexandria City Council bond co-counsel, at a time when Mr. Lawson had a pre-existing contract to lease Ms. Brown office space.

Approved:



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The Louisiana Board of Ethics is authorized to impose a penalty of up to \$10,000 for each violation of the Louisiana Code of Governmental Ethics. In the particular situation, given the facts outlined above, it is the conclusion of the Board that the interest of the public would be served by the imposition of a \$5,000.00 fine, of which, \$2,500 is to be suspended based upon future compliance with the Ethics Code by Mr. Myron Lawson.

IV.

# **DECREE AND ORDER**

For the foregoing reasons:

IT IS ORDERED, ADJUDGED AND DECREED that the Board finds as a matter of fact and as a conclusion of law that Myron Lawson, violated Section 1111C(2)(d) of the Code of Governmental Ethics by virtue of Mr. Lawson's lease of office space to Ms. Bridgett Brown, for rental payments of \$600 per month, at a time when Ms. Brown had a contractual relationship with Mr. Lawson's agency, the Alexandria City Council.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Board finds as a matter of law and as a conclusion of law that Myron Lawson, violated Section 1112B(5) of the Code of Governmental Ethics by virtue of Mr. Lawson's vote on Alexandria City Council Resolution 7507-2004, at a time when Mr. Lawson had a contract to lease Ms. Bridgett Brown office space.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that a penalty of \$5,000, of which \$2,500, is to be suspended based upon future compliance with the Ethics Code, is hereby imposed upon Myron Lawson, for violating Sections 1111C(2)(d) and 1112B(5) of the Louisiana Code of Governmental Ethics.

Approved:

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By Order of the Board this 29th day of Apr	<u>i1</u> 2009.
Frank P. Siproneaux, Chairman	Scott E. Frazier, Vice-Chairman
Absent and did not participate.  Dr. Robert P. Bareikis	Mil C. Bowman (lev.) Rev, Gail E. Bowman
James G. Boyer	Gary G. Hymel
Jean M. Ingrassia Jubliology	Dr. Cedric W. Lowrey  Lowrey  Scott D. Schneider

# **CONSENT**

The undersigned (a) stipulates to the facts found by the Board; (b) waives the procedural requirements contained in Section 1141 of the Code; (c) admits that its conduct, as described above, violated Sections 1111C(2)(d) and 1112B(5) of the Louisiana Code of Governmental Ethics; (d) acknowledges the publication of this opinion; (e) agrees to comply with the conditions and orders set forth in this opinion; and, (f) agrees not to seek judicial review of the findings and actions taken in this opinion.

Mr. Myron Lawson

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Approved: